

# **Integrating the Hofstede dimensions and twelve aspects of negotiating behavior: A six country comparison**

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In the more than 25 years since Hofstede's seminal work on culture first appeared, cross-cultural research has explored seemingly all aspects of behavior. With regard to cross-cultural negotiating behaviors, there is an embarrassment of riches. As data continue to accumulate, the search for a comprehensive synthesis seems not only appealing as a means of facilitating understanding, but also a necessary element of true knowledge creation.

In the following analysis, we relate Hofstede's dimensions of cultural variability to cross-cultural negotiating behavior in six countries. We propose that a careful application of Hofstede's framework to the large body of work on cross-cultural negotiating behavior is a first step in simplifying and clarifying our level of understanding.

Cultural variation has long been recognized as a key background factor in models of international negotiation (Sawyer & Guetzkow, 1965). Interestingly, a review of the country-specific negotiation literature revealed scant effort to relate dimensions of cultural variability to the large body of work that exists regarding negotiating behavior.

To test the approach, the authors undertook a systematic review of prior work on the negotiating behavior of six countries -Japan and five of its major trading partners USA, Germany, China, Mexico and Brazil. We began by reviewing the literature for negotiating styles in each of the six countries, thereby developing a comprehensive understanding of the 'typical' negotiating behavior in each country. We classified each country's behavior on twelve negotiation dimensions according to a high, medium, low scheme. Next, we ranked each of the six countries according to their index values on Hofstede's four dimensions of cultural variability: power distance, individualism, masculinity and uncertainty avoidance. We propose a set of relationships between Hofstede's dimensions and each country's negotiating behaviors,<sup>1</sup> which are supported by the existing body of research. We then test these relationships via nonparametric measures of correlation. We found that negotiating behaviors cluster around one or more of the Hofstede dimensions.

### **A negotiating framework**

In 1985, Weiss and Stripp (1985) proposed a framework for analyzing cross-cultural negotiations. In 1998, they proposed a refinement of the original framework (Weiss & Stripp, 1998). The framework consisted of 12 dimensions, grouped into five categories: two dimensions were categorized as relating to a general model or concept of negotiation; three dimensions referred to aspects of negotiator roles; negotiator dispositions relating to negotiation interactions encompassed three more; three other dimensions related to aspects of the negotiation process; finally, one dimension related to negotiation outcomes. Although the original framework was

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<sup>1</sup> We note that each of the Hofstede dimensions, as well as each of the dimensions comprising the Weiss and Stripp framework is bi-polar. For brevity's sake, we have included only one of the two possible relationships between a particular negotiating dimension and a particular cultural value. Readers may infer that, where support was found for the hypothesis in the text, support for its inverse was also found. An example of the inverse of a hypothesis included in the text may be found in note 2.

proposed more than fifteen years ago, to date no empirical investigations of its validity have been published. Perhaps one of the reasons the framework has not been empirically validated is that a number of the dimensions incorporated concepts that were not mutually exclusive or that could not be traced along a bipolar continuum.

By contrast, research replicating and supporting the validity of Hofstede's work-related cultural values is extensive, numbering more than 1500 published studies. Surprisingly, few of these studies have attempted to organize knowledge of cultural differences in terms of negotiating behaviors. Of the 1500, we identified two studies as specifically addressing Hofstede's dimensions: Graham, Mintu, and Rodgers, 1994; Lytle, 1995 (Hofstede, 2001). Both studies included negotiators from multiple countries; however, the simulations were set up so that both parties to the negotiation came from the same country. Simulation outcomes did vary with each country's score on the Hofstede dimensions. So, while these studies demonstrate that national culture affects negotiation outcomes when both parties to a negotiation are from the same country, we learn very little about intercultural negotiations.

In the following sections, we present a refinement of the Weiss and Stripp framework. Each dimension has been recast to fit a bipolar continuum. Additionally, in consultation with Weiss, we sought to ground the dimensions more firmly in the negotiation and communications literature, while remaining faithful to the aims and content of the original framework. Our intent was to identify specific aspects or dimensions of negotiation and the continua along which a range of culturally variant behaviors could be mapped. Our fundamental premise is that specific cultural values are related to specific dimensions of negotiating behavior. Working from this premise, we speculated that the Weiss and Stripp framework would specify the dimensions of negotiating behaviors and the Hofstede dimensions would specify the cultural values influencing those behaviors.

### **Basic concept of negotiation: Distributive vs. integrative**

This dimension refers to how each party views the negotiating process.

*Distributive perspective.* Negotiators from countries that fit this profile believe there will be a winner and a loser (Mintu-Wimsatt & Gassenheimer, 2000). Consequently, the negotiator's goal is to establish dominance (Donohue & Ramesh, 1992). Negotiators take a hard-line approach, seeking to meet only their own goals or interests, in order to maximize the benefit for their side (Li & Labig, 1996). Negotiators assume their interests directly conflict with those of the other party" (Bazerman & Neale, 1992). As a result, negotiators demonstrate a strong concern for themselves and little concern for others. Their goal is to induce the other party to change their attitudes and positions, which may be accomplished either by using promises or threats or by remaining polite and neutral (DeMente, 1987). Their aspiration levels may be high and rigid, which makes them resistant to making concessions (Chan, 1998). Alternatively, in order to exploit their position to the greatest extent, negotiators may continuously adapt their strategy based on the other party's actions (DeMente, 1987). The atmosphere may be contentious or frustrating as negotiators focus on the need for the other party to concede (Gelfand et al., 2001).

*Integrative perspective.* Negotiators from countries that fit this profile believe that mutually beneficial solutions can be generated. Consequently, integrative negotiators take a problem-solving approach, where the focus is on exchanging information in order to identify the underlying issues and interests of both sides and to generate outcomes that benefit both parties. Negotiators adopting integrative behaviors attempt to understand the underlying issues and their relative importance to both parties. Their goal is to capitalize on the different interests to find effective trade-offs. Negotiators concede less important issues to gain on more important ones (Bazerman & Neale, 1992). Consequently, negotiators share information about their own interests and seek information about the other party's interests. Through exchanging information, both parties react to the other's arguments and adjust their stances on the issues (Putnam & Holmer, 1992). Negotiators reach agreement by employing creative problem-solving approaches to develop solutions that expand the size of benefits available to everyone.

*Negotiating behaviors and national culture.* The negotiating behaviors described above correspond to behaviors observed along Hofstede's Masculinity/Femininity dimension. A masculine orientation is usually characterized by ego enhancement strategies (Hofstede, 1991) and masculine cultures emphasize assertiveness, competition, and toughness. A feminine orientation is characterized by relationship enhancement strategies (Hofstede, 1991). Feminine cultures emphasize nurturing, as well as a concern for relationships and for the living environment (Hofstede, 2001). Members of masculine cultures are driven to win and are more likely to resolve conflicts through competition. Business people from masculine cultures are aggressive, competitive, assertive, and decisive. Compromise and cooperation are not goals because a compromise entails giving up part of one's desires, which translates into a loss relative to what could have been won (Hofstede, 2001). Members of feminine cultures are more likely to resolve conflicts through problem solving. Business people from feminine cultures are cooperative, accustomed to seeking consensus, and intuitive rather than decisive (Hofstede, 2001).

*H1: Countries with high scores on Hofstede's Masculinity index will adopt a basic concept of negotiation that is distributive.<sup>2</sup>*

### **Most significant type of issue: Task vs. relationship-based**

This dimension refers to the types of issues negotiators spend more time discussing.

*Task.* Negotiators from countries where task issues are more important spend most of their time discussing specific operational details of the project, as opposed to broad objectives. They tend to negotiate a contract in an item-by-item way (Victor, 1992). Negotiators feel that it is important to come away with a clear understanding regarding the control, use, and division of resources (e.g., profits, management, ownership).

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<sup>2</sup> For all hypotheses, the opposite relationship also holds. In other words, for HI, countries with low scores on Hofstede's Masculinity index will adopt a basic concept of negotiation that is integrative.

*Relationship.* Negotiators from countries where relationship issues are more important spend most of their time engaging in activities that build trust and friendship between the members of each team and in discussing broad objectives. They believe a good relationship must be established before task issues can be discussed and that as the social relationship develops, task issues will be resolved (Victor, 1992).

*Negotiating behaviors and national culture.* According to Hofstede (2001), separating the people from the issues, which is common among negotiators with a task frame view, assumes an individualist value set. In collectivist cultures, where relationships prevail over tasks, it is impossible to separate the people from the issues at hand. Hofstede (2001) also states that, in collectivist cultures, "*the personal relationship prevails over the task...and should be established first,*" whereas in individualist cultures, "*the task...[is] supposed to prevail over any personal relationships.*" Furthermore, collectivism implies a need for stable relationships, so that negotiations can be carried out among persons who have become quite familiar with each other. Replacing even one member on a team may seriously disturb the relationship and often means that a new relationship will have to be built (Hofstede & Usunier, 1996).

*H2: Cultures high in Individualism will place greater emphasis on task issues during negotiations.*

### **Selection of negotiators: Abilities vs. status**

This dimension refers to the criteria each party uses to select members of the negotiating team.

*Abilities.* Managers from achievement-based cultures consider job-specific skills or substantive expertise, which they believe is relevant to a particular negotiation, when selecting members of the negotiating team. Examples of relevant skills or expertise include education, technical or scientific knowledge, legal training, vocational achievement, negotiating experience, or language fluency. Negotiating teams from achievement-based cultures may consist largely of technical advisers and people that have demonstrated proficiency and are knowledgeable about the project at hand (Trompenaars, 1994).

*Status.* Managers from status-based cultures consider who the candidates are and whom the candidates know, when selecting members of a negotiating team. Examples of relevant characteristics include family background, influential connections, seniority, age, or gender (Trompenaars, 1994). Negotiating teams from status-based cultures may consist largely of senior, high ranking officials, who wield considerable influence in their organizations and who may also command great respect in the community at large (Kras, 1989).

*Negotiating behaviors and national culture.* Hofstede (2001) proposes that Power Distance affects the importance of the status of the negotiators. According to Hofstede, low Power Distance cultures tend to minimize the importance of inherited privilege and status. Roles in the organizational hierarchy can change; a person who is someone's subordinate today may become his boss tomorrow (Hofstede, 2001). People at all levels in the organizational hierarchy earn respect on the basis of how effectively they perform their assigned tasks and how adequate their knowledge is. By contrast, in high Power Distance cultures, inequality among people is expected

and desired. Superiors in the organizational hierarchy are viewed as being superior people. Respect is based on seniority and high status in the organizational hierarchy (Hofstede, 2001).

Members of low Power Distance cultures are more likely to appoint people to a particular negotiating team because they have capabilities that are relevant to the task, while members of high Power Distance cultures are more likely to select members of the negotiating team based on status-related factors.

*H3: Cultures demonstrating high Power Distance will emphasize status over ability in the selection of negotiators.*

### **Influence of individual aspirations: Collectivist vs. individualist**

This dimension refers to the emphasis negotiators place on the achievement of individual goals and the need for individual recognition.

*Individualist.* Triandis (1995) defines individualists as people who see themselves as independent of collectives. They are motivated primarily by their own preferences, needs, and rights and they give priority to their personal goals over the goals of others. Individualist negotiators are emotionally independent from the organization to which they belong. They may strive to achieve outcomes that are in their own best interests. They keep organization's interests and goals in mind because they expect personal reward and recognition for their decisions (Trompenaars, 1994).

*Collectivist.* Triandis (1995) defines collectivists as people who see themselves as parts of one or more collectives. They are motivated primarily by the norms and duties imposed by the collectives to which they belong and give priority to collective goals over their own personal goals. Collectivist negotiators have a strong sense of identity with and loyalty to their organization. Consequently, they will strive to achieve outcomes that are in the organization's best interest and will do so with little expectation of personal gain. The negotiating team will assume joint responsibility and/or receive joint recognition for actions taken or decisions made (Trompenaars, 1994).

*Negotiating behaviors and national culture.* The negotiating behaviors described above correspond to behaviors observed along Hofstede's Individualism/Collectivism dimension. Employees in individualist cultures are expected to act rationally according to their own interests. Work tasks are organized in such a way that an employee's self-interest and an employer's interests coincide. In collectivist cultures employees are expected to act in accordance with the interests of the organization, which may or may not coincide with their individual interests (Hofstede, 2001).

*H4: Negotiators from individualist cultures will be strongly influenced by individual aspirations.*

## **Internal decision-making process: Independent vs. consensus**

This dimension refers to the system that negotiators use to reach decisions within their teams.

*Independent:* Leaders or other influential individuals on the negotiating team may make decisions independently without concern for the viewpoints of others on the team. Negotiators are expected to use their own best judgment in speaking and acting on behalf of the organization (Trompenaars, 1994).

*Consensus:* Decision-making power is delegated to the entire team. The team leader must obtain support from team members and listen to their advice.

*Negotiating behaviors and national culture.* Hofstede (2001) found that cultures with high Uncertainty Avoidance scores demonstrate a preference for consultative decision processes and group decision-making. Cultures with low Uncertainty Avoidance scores tend to demonstrate a preference for independent decision processes and individual decision-making. Consequently, we propose that

*H5: Cultures high in Uncertainty Avoidance will adopt consultative internal decision-making processes.*

## **Orientation toward time: Monochronic vs. polychronic**

This dimension refers to the value each party places on time.

*Monochronic.* Negotiators with a monochronic orientation believe that time is money. They set agendas for meetings and adhere to preset schedules. They schedule negotiations in ways that create psychological pressure in having to arrive at a decision by a certain date (Hall & Hall, 1990). They believe that outstanding or contentious issues in a negotiation should be resolved effectively within an allotted time frame. Negotiators from monochronic cultures also tend not to mix business with pleasure.

*Polychronic.* Negotiators from polychronic cultures believe that time is never wasted. They feel that getting to know their counterparts and building a relationship is more important than adhering to a preset schedule. Time spent actually discussing and resolving issues is of minor importance.

*Negotiating behaviors and national culture.* According to Hall (1983), whereas people in monochronic cultures adhere religiously to plans, "matters in polychronic culture seem in a constant state of flux. Nothing is solid or firm...even important plans may be changed right up to the minute of execution. These monochronic and polychronic behaviors seem to correspond to behaviors observed along Hofstede's Uncertainty Avoidance value dimension. Cultures high in Uncertainty Avoidance seek clarity and structure, whereas low Uncertainty Avoidance cultures are comfortable with ambiguity and chaos.

*H6: Cultures high in Uncertainty Avoidance will demonstrate a preference for monochronic time.*

### **Risk-taking propensity: Risk averse vs. risk tolerant**

This dimension refers to negotiators' willingness to take risks.

*Risk averse:* Risk-averse negotiators take steps to avoid the failing to come to an agreement (Bazerman & Neale, 1992). They may be more likely to make concessions in order to avoid failing to reach an agreement (Ghosh, 1996), or they may accept lower rewards for a higher probability of success (Moran & Stripp, 1991).

*Risk Tolerant:* Risk-tolerant negotiators believe there is a level of acceptable risk any negotiation. They are interested in reducing risk, not avoiding it altogether. Risk-tolerant negotiators show greater willingness to fail to come to an agreement by making fewer concessions or demanding more (Bazerman & Neale, 1992). They may be less likely to make concessions in order to avoid failing to come to an agreement (Ghosh, 1996) or they may choose a strategy offering higher rewards but with a lower probability of success (Moran & Stripp, 1991).

*Negotiating behaviors and national culture.* Kahn and Sarin (1988) propose that psychological factors leading to risk aversion also lead to uncertainty avoidance. They suggest that ambiguity accentuates the effects of risk aversion. Hofstede (2001) also suggests a relationship between risk aversion and uncertainty avoidance. Cultures with lower Uncertainty Avoidance accept both familiar and unfamiliar risks, whereas cultures with high Uncertainty Avoidance scores tend to limit themselves to known risks.

*H7: Negotiators from high Uncertainty Avoidance countries will employ risk-averse negotiating behaviors.*

### **Basis of trust: External to the parties vs. internal to the relationship**

Trust is one party's belief that the other party will take action to honor agreements that have been reached (Wilson & Moller, 1991).

*External to the parties.* Negotiators trust the other party because a contract has been negotiated and agreed to, which can be litigated and enforced (Fukuyama 1995). The legal system and governmental agencies are viewed as providing an adequate, reliable, and effective underpinning for contracts. Contracts will be honored because the legal system will impose sanctions otherwise. The written word is binding; a deal is a deal. A trustworthy partner is simply one who complies with the law.

*Internal to the relationship.* Negotiators may trust the other party because a relationship that has been built up over time and they believe the other party is committed to it. The relationship between the parties is what matters (Victor, 1992). When trust is internal to the relationship, less emphasis is placed on detailed, written contracts. Negotiators expect that the other party will



changing circumstances over time. A trustworthy partner is one who strives to maintain the relationship, possibly by modifying an existing contract to reflect new developments (Trompenaars, 1994).

*Negotiating behaviors and national culture.* In cultures where the legal system and governmental agencies are viewed as providing an adequate support, trust in the legal system enables parties who don't know each other well to do business with each other (Fukuyama, 1995). Consequently, trust in the legal system reinforces behavior that is consistent with behavior in low Uncertainty Avoiding cultures -a greater willingness to take unknown risks and to enter into unknown ventures with parties that are not well known (Hofstede, 2001). In cultures where institutionalized law is viewed as inadequate, lack of trust in legal systems, encourages negotiators to deal with parties whom they know well (Yu, 2001) -organizations that are linked via family ties, cross shareholdings, or relationships of long duration (Fukuyama, 1995). The preference for dealing with only those whom one knows is consistent with behavior in high Uncertainty Avoiding cultures (Hofstede, 2001). This leads us to propose that

*H8: Negotiators from high Uncertainty Avoidance countries will base trust in relationships.*

### **Concern with protocol: Formal vs. informal**

This dimension has to do with the importance that negotiators place on the existence of and adherence to rules for acceptable self-presentation and social behavior (Weiss & Stripp, 1985).

*Formal.* Negotiators with a high concern for protocol will adhere to strict and detailed rules that govern personal and professional conduct, negotiating procedures, as well as the hospitality extended to negotiators from the other side. Rules governing acceptable behavior might include dress codes, use of titles, and seating arrangements (Weiss & Stripp, 1985). Negotiators on the team believe that there are few appropriate ways to respond to a particular situation and there is strong agreement on the team about what constitutes correct action. Team members must behave exactly according to the norms of the culture and suffer severe criticism for even slight deviations from norms (Triandis, 1995).

*Informal.* Negotiators with low concern for protocol adhere to a much smaller, more loosely defined set of rules. Compulsive attention to observing the rules is not necessary and those who deviate from norms are not necessarily criticized. Team members not only believe that there are multiple ways to respond appropriately to a particular situation but may even disagree about what is appropriate (Triandis, 1995).

*Negotiating behaviors and national culture.* Hofstede and Usunier (1996) propose that negotiators from uncertainty-avoiding cultures prefer highly structured, ritualistic procedures during negotiations. People in high uncertainty avoiding cultures seek structure and formalization, in an attempt to make interactions and events transpire in a clearly interpretable and predictable manner. People in low uncertainty avoiding cultures are tolerant of ambiguity in structures and procedures (Hofstede, 2001).

*H9: High Uncertainty Avoidance cultures will demonstrate a high concern for formal protocol during negotiations.*

### **Style of communication: High context vs. low context**

This dimension refers to the degree to which people rely on nonverbal cues to convey and to interpret intentions and information in dialogue (Weiss & Stripp, 1998).

*High context.* Negotiators who prefer high-context communication are more tuned in to and reliant on non-verbal cues. They will tend to use language that is indirect, ambiguous, and understated (Trompenaars, 1994). High context negotiators expect their partners to pick up on and to understand unarticulated intentions and feelings, subtle gestures, and other nonverbal or environmental cues (Anderson, 2000). Negotiators will take it personally when the other party directly criticizes their work, or the proposal they have put on the table. High context negotiators will not conclude agreements with business partners whom they do not like (Triandis, 1994).

*Low context.* Negotiators who prefer low context communication are less likely to notice and understand non-verbal cues. The communicator is direct and to the point, using language that is precise, open, and frank (Trompenaars, 1994). Low context negotiators are literal and often fail to perceive nonverbal cues (Anderson, 2000). While low context negotiators may prefer to do business with people whom they like, it is possible for them to conclude agreements with people whom they do not like personally.

*Negotiating behaviors and national culture.* According to Gudykunst and Ting-Toomey (1988), high context communication is used primarily in collectivist cultures, whereas low context communication is used predominantly in individualist cultures. Hofstede (2001) concurs and also notes that things, which are self-evident in collectivist cultures, must be communicated explicitly in individualist cultures.

*H10: Negotiators from individualist cultures will employ a low context style of communication.*

### **Nature of persuasion: Factual-inductive vs. affective**

This dimension refers to the type of evidence negotiators use to develop persuasive arguments.

*Factual-Inductive.* Factual-inductive negotiators base their arguments on empirical facts and use linear logic (if-then statements) to persuade the other party (Johnstone, 1989). Proof used to support persuasive arguments includes such things as scientific evidence, professional standards, expert opinion, costs, market value, and other hard data (Fisher & Ury, 1991). Factual-inductive negotiators believe presenting their best arguments first makes the strongest case.

*Affective.* Affective negotiators may base their arguments on abstract theory, ideals (Glenn, Witmeyer & Stevenson, 1977), references to status and relationships, and/or appeals to sympathy (Adair & Brett, 2002). Evidence used to support persuasive arguments includes such things as moral standards, equal treatment, tradition, and reciprocity (Fisher & Ury, 1991). Affective

negotiators develop their arguments indirectly. They may start with peripheral arguments and present their best arguments last, after the other party has reacted (Triandis, 1994).

*Negotiating behaviors and national culture.* Cultures with low Uncertainty Avoidance scores tend to favor inductive reasoning -the development of general principals from empirical facts (Hofstede, 2001). Cultures with high Uncertainty Avoidance scores tend to favor deductive reasoning -drawing conclusions about specific situations given a set of general principles. Consequently, we propose that

*H11: Negotiators from countries with low Uncertainty Avoidance scores will rely on the factual-inductive form of persuasion.*

### **Form of agreement: Explicit contract vs. implicit agreement**

This dimension refers to the preferred form of agreement between the parties.

*Explicit contract.* Negotiators favor and expect written, legally binding contracts (Weiss & Stripp, 1985). A written contract records the agreement and definitively specifies what each party has agreed to do (Trompenaars, 1994). Consequently, negotiators believe that written agreements provide stability and allow organizations to make investments and minimize business risk (Frankel, Whipple & Frayer, 1996).

*Implicit agreement.* Negotiators favor broad language in a contract because they feel that definitive contract terms are too rigid to allow a good working relationship to evolve. Particularly with new relationships, negotiators may feel that it is impossible to anticipate and document every conceivable contingency. They also believe that contracts inhibit parties from exploring unexpected opportunities for improvement and success. Negotiators view the contract as a rough guideline because the relationship, not the contract, is primary (Trompenaars, 1994). In some cases, an oral contract may suffice.

*Negotiating behaviors and national culture.* Uncertainty-avoiding cultures tend to shun ambiguous situations and prefer structures that enable them to clearly predict and interpret events (Hofstede, 2001). Written agreements provide a clearly specified framework for the relationship; hence, they serve as an uncertainty reduction mechanism. Consequently, we propose that

*H12: Cultures high in Uncertainty Avoidance will seek forms of agreement that are explicit.*

### **Method**

*Negotiation dimensions.* To test the hypotheses, the authors undertook a systematic review of prior work on the negotiating behavior of six countries Japan and five of its major trading partners USA, Germany, China, Mexico and Brazil. For purposes of analyzing nonparametric correlations between negotiations dimensions and cultural value dimensions, we elected to treat the bi-polar continua on each dimension in terms of one end of the pole. We would then rate

countries using a 'high,' 'medium,' and 'low' scheme. We began by reviewing the literature for negotiating styles in each of the six countries, in the process developing a comprehensive understanding of the 'typical' negotiating behavior in each country. To do this, we first developed lists of books and scholarly articles on negotiating styles and behaviors in each country. Our research team, which consisted of the two authors and three research assistants, analyzed over one hundred books and articles relating to negotiating behaviors in these countries.<sup>3</sup> After reviewing the literature on a given country, each of the research team members independently classified that country's behavior on each of the twelve negotiation dimensions employing our 'high,' 'medium,' and 'low' scheme. Although interrater reliability was high, on occasion one or more raters differed in their assessments. In these cases, we resolved discrepancies in assessment by employing a modified Delphi technique. Each rater was provided with the assessment of the other four raters and then asked to make a new assessment. In some instance, sharing of ratings was accompanied by discussion. In no case was it necessary to go beyond a single iteration of this process.

*Cultural values dimensions.* Because we were working with only six countries and used a restricted range in the negotiation dimension ratings, we adopted a similar approach with regard to the scoring of the cultural values dimensions. We began by obtaining the six countries' index values on Hofstede's (1991) four dimensions of power distance, individualism, masculinity' and uncertainty avoidance. Using these index scores, we collapsed the range by rank ordering the countries on each value in accordance with their scores, with 1 being highest and 6 being lowest.

Analysis of the data consisted of a nonparametric rank order correlation in which the cultural value rank was paired with the negotiation dimension score. Given the very small sample size, it was determined that a hypothesis would only be declared 'strongly supportive' if the rank order correlation was 1, i.e., the rank ordering of cultural values matched perfectly the rank ordering of the negotiation dimension. In instances where only 1 of the pairings did not fit the hypothesized relationship and the ranking was off by only one position, these hypotheses were deemed to be 'moderately supported'. In such instances, given that five of the six countries demonstrated the hypothesized relationship, this seemed a reasonable accommodation.

## **Analysis**

The analysis found support for ten of the twelve hypothesized relations. Four of the hypotheses found strong support. These were the hypotheses relating to internal decision-making processes, orientation toward time, style of communication and the nature of persuasion. Six other hypotheses were moderately supported. These six hypotheses were most significant type of issue, influence of individual aspirations, risk-taking propensity, basis of trust, concern with protocol and form of agreement. Hypothesis 1, which focused on basic conceptions of negotiation, and Hypothesis 3, selection of negotiators, found no support. Table 1 presents a summary of the hypothesized relationships and findings.

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<sup>3</sup> The complete list of books and articles reviewed is not included in this manuscript but is available from the authors on request.

\*\*\* Insert Table 1 \*\*\*

Overall, these findings suggest strong support for the validity of the Weiss and Stripp framework as a means of identifying meaningful cultural variation across twelve dimensions of negotiating behavior. Moreover, the findings also demonstrate the utility of Hofstede's cultural values in identifying a given culture's position on the various negotiation dimensions.

Several additional insights can be gleaned from Table 1. Of the four cultural value dimensions, Uncertainty Avoidance was hypothesized to be related to seven negotiating behavior dimensions, Individualism related to three dimensions, and Power Distance and Masculinity one each. Neither Power Distance nor Masculinity correlated with their hypothesized negotiating behaviors. However, for Uncertainty Avoidance, all seven negotiating dimensions were correlated -three at the 'strong support' level and four at the 'moderate support' level. The three Individualism hypotheses were also supported -two at the "moderate support" level and one at the "strong support" level. Perhaps of greater interest is the recognition that more than half of the hypotheses dealt with Uncertainty Avoidance. In retrospect, this may not be surprising as a negotiation, to a large extent involves attempts at reducing uncertainty and equivocality so as to reach an agreement.

One obvious question that arises in a study involving discretely identified cultural values is the extent to which more than one value may exert influence in any given situation. Indeed, more sophisticated treatments of culture (Osland & Bird, 2000) focus on the complex interactions of constellations of cultural values in any particular context. Our limited sample size and our use of a nonparametric approach precluded the possibility of a more fine-grained analysis involving multiple cultural values. Nevertheless, we felt it was possible to return to the literature in a search for additional cultural influences for each of the twelve negotiating dimensions. Table 2 provides a summary of our literature review findings.

\*\*\* Insert Table 2 \*\*\*

As Table 2 indicates, for roughly half of the negotiating dimensions the influence of a second cultural value may be postulated based on prior empirical findings. However, in only two instances does it appear reasonable to speculate as to the influence of a third cultural value. A word of caution is called for, as noted previously, of the more than 1500 empirical studies reported in Hofstede's (2001) second edition of *Culture S Consequences*, only a handful directly focus on aspects of negotiation. Consequently, the suggested link between cultural values and negotiating dimensions is predicated on studies that did not involve negotiation per se.

For negotiation researchers and practitioners alike, there are several positive implications. For negotiation researchers, rather than approaching the study of negotiation in a given country as though it is distinct and unique, the framework allows researchers to organize data in ways that will allow for meaningful comparisons. Given the vast body of country specific research and writing on negotiation, this framework holds forth the possibility of a comprehensive, country-by-country organization and synthesis of extant knowledge. At the same time, the framework will also allow scholars to identify inadequacies in research on specific aspects of negotiation in a particular country. For example, our review of the Brazil literature led us to conclude that the

basis of trust in Brazilian negotiations is weak compared to what is available for other negotiating dimensions in that country.

For managers, the framework provides a useful tool to guide them in identifying what aspects of a cross-cultural negotiation are likely to vary. Because the framework is straightforward and can be aligned with cultural values, managers should be able to draw upon the extensive body of research replicating Hofstede's work to inform their understanding of negotiations. As it is not unusual for managers to work across multiple cultures when conducting negotiations in an international setting, the availability of data and literature on Hofstede, when combined with an understanding of the twelve negotiation dimensions should allow managers to be effective "quick studies" in comprehending and responding to cultural variation.

A study such as this, employing as it does such a small sample size has obvious limitations. Three seem worthy of comment. As we noted at the outset, the body of literature detailing distinctive aspects of negotiation in specific countries is vast, but uneven in its quality and comparability. This presents a particular problem for scholars interested in drawing comparisons. Across the six countries included in this study there was significant variation in the volume of literature available-ranging from extensive literature on Japan and China to significantly less on Brazil. Equally important, there was no common metric available for making comparisons. The intention of this paper was, in part, to test a framework that would allow for systematic comparison. One of the challenges in doing that was the absence of any agreed upon standards. Paradoxically, though lack of common metric is a limitation of this study, we believe that one of the contributions of this study is the initial development of some criteria upon which a metric can be established.

A second limitation of this study involves the issue of interrater reliability. Although it was not a substantive issue within this study, the variability in quantity and quality of information on negotiation across the six countries does raise an issue of whether or not a different set of raters might have evaluated the countries differently with regard to the 12 dimensions. We chose to have the same set of raters evaluate all six countries. An alternative approach might have been to organize a panel of experts for each of the six countries. Beyond the issue of inherent complexity and workload in organizing six separate panels, we were also confronted with the issue of whether or not these panels would have invoked the same criteria and weighting. We opted for inter-rater reliability, but in the process sacrificed depth of understanding of each country's negotiating behaviors. Given an approach that focused on reviewing the extant literature for negotiation in each country, raters were beset with having to compare and contrast differing vocabularies to describe what often appeared to be similar conceptions or behaviors. Our research team is addressing this issue by developing a questionnaire survey to be used with teams of expert panels in each country. The surveys will flesh out specific aspects of each of the 12 dimensions, thereby enabling a more fine-grained comparison within dimensions. Additionally, further work in this area would benefit from the collaborative efforts of multinational research teams that incorporate one or more experts on negotiation from each of the countries in the study.

A final limitation of this study was the small size of the sample. Even nonparametric statistical analysis is strained when sample sizes drop down to a single digit. As with Hofstede and the

many researchers who have replicated his work, statistical analysis is made more credible with a larger sample (Hofstede, 2001). Our current research project includes Japan and its 25 largest trading partners in the sample. Though this number is still small by normal statistical standards, it represents a significant undertaking and should enhance the credibility of findings. An additional way to offset the issue of small sample size is to increase the number of respondents within each country. As noted above, our current research project addresses this issue by developing teams of expert panels.

## **Conclusions**

This study is a first step toward approaching a vast body of information on negotiating behaviors, which lacked a clear structure, and giving it some coherence, thereby making it more accessible to managers. By linking cultural variations in twelve dimensions of negotiating behaviors to Hofstede's framework, we provide a synthesizing frame that enables more effective analysis of negotiation for scholars and more effective negotiation for practitioners. Moreover, linking the Hofstede dimensions to specific aspects of negotiating behaviors allows us to contextualize the application of cultural values dimensions, thereby avoiding the problem of sophisticated stereotyping (Osland & Bird, 2000). Finally, our findings are presented in a form that facilitates comparison of negotiating behaviors between countries, enabling managers to relate negotiating behaviors of 'new' countries to other countries with which they might be familiar.

**Table 1: Support for hypothesized relationship between cultural values and negotiating behavior dimensions**

<b>Weiss &amp; Stripp Dimension</b>	<b>Hofstede Cultural Value</b>	<b>Support for Hypothesis</b>
<i>General model</i>		
1. Basic concept of negotiation	MAS	None
2. Most significant type of issue	IDV	Moderate
<i>Role of the Individual</i>		
3. Selection of negotiators	PDI	None
4. Influence of individual aspirations	IDV	Moderate
5. Internal decision-making process	UAI	Strong
<i>Interaction: Dispositions</i>		
6. Orientation toward time	UAI	Strong
7. Risk-taking propensity	UAI	Moderate
8. Basis of trust	UAI	Moderate
<i>Interaction: Process</i>		
9. Concern with protocol	UAI	Moderate
10. Style of communication	IDV	Strong
11. Nature of persuasion	UAI	Strong
<i>Outcome</i>		
12. Basic concept of negotiation	UAI	Moderate



**Table 2: Support in the literature for relationships between cultural values and negotiating dimensions**

<b>Hofstede Cultural Value</b>	<b>Weiss and Stripp Dimension</b>											
	Concept	Issue	Select	Aspirations	Decision	Time	Risk	Trust	Protocol	Comm	Persuasion	Agree
PDI	No	No	Strong	No	Some	No	No	No	No	No	No	No
IDV	Some	Strong	Some	Strong	Some	No	No	No	No	Strong	No	No
MAS	Strong	Some	Some	No	Some	No	No	No	No	No	Some	No
UAI	No	No	No	No	Strong	Strong	Strong	Strong	Strong	Some	Strong	Strong

Key: No = no evidence found in the literature that a relationship exists between this cultural value and this negotiating dimension; Some = some support in the literature that a relationship exists between this cultural value and this negotiating dimension; Strong = the relationship between this cultural value and this negotiating dimension is most strongly supported by the literature.